

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
(Alexandria Division)

DEUTSCHE BANK NATIONAL TRUST)
COMPANY, AS TRUSTEE FOR)
FIRST FRANKLIN MORTGAGE LOAN)
TRUST 2006-FF3,)

Plaintiff,)

v.)

BABAK A. BATMANGHELIDJ, et al.,)

Defendants.)
)
)
)

Civil Action No. 1:07CV683 JCC/BRP

(Formerly Fairfax County Circuit Court
No. CL-2007-0007040)

ORDER

(EFFECTING STIPULATION OF DISMISSAL AS TO CERTAIN PARTIES)

This matter having come before the Court upon the Stipulation filed by the Plaintiff Deutsche Bank National Trust Company, as Trustee for First Franklin Mortgage Loan Trust 2006-FF3 ("Deutsche Bank"), and Defendants Babak Batmanghelidj, Leily Batmanghelidj, and KFH Investments, LLC (collectively "the parties"), and the Court having determined that the entry of this Order will facilitate and implement the Stipulation as to Defendants Babak Batmanghelidj, Leily Batmanghelidj, and KFH Investments, LLC, it is, by this Court, this

26th day of February, 2008,

ORDERED, that nothing herein is intended to nor shall it be constructed as affecting the right of Deutsche Bank to appeal from this Court's Orders dated September 17, 2007 and November 19, 2007 with respect to Defendant U.S. Internal Revenue Service; and it is further

ORDERED, that Babak Batmanghelidj and Leily Batmanghelidj will execute in recordable form and will deliver concurrently with this Stipulation a corrective Deed of Trust and Note to confirm that all of the terms of the November 8, 2005 Deed of Trust have been in force and effect since the date of that Deed of Trust, which was recorded among the land records of Fairfax County, Virginia on January 26, 2006; and it is further

ORDERED, that Deutsche Bank, without any waiver or release of its rights to pursue any and all monetary defaults against Babak Batmanghelidj and Leily Batmanghelidj pursuant to the terms of the original and corrective Deeds of Trust and Note, shall not pursue any claims or causes of action arising out of or related to alleged misrepresentations or non-disclosures of Babak Batmanghelidj and Leily Batmanghelidj in the Deed of Trust, Warranty Deed, Affidavit and Indemnification Agreement, Warranty Compliance Agreement, Note and Proceeds Confirmation Letter, as described in the Complaint filed in this action, and except for claims for any and all monetary defaults, which are expressly reserved, will not pursue any non-monetary defaults under the original and corrective Deeds of Trust and Note against Babak Batmanghelidj and Leily Batmanghelidj that have occurred prior to the date of this Stipulation.

ORDERED, that the judgment dated January 7, 2005 and recorded on January 26, 2005 of KFH Investments, LLC does not attach currently as a lien on the subject property located at 9121 Mill Pond Valley Drive, McLean, Virginia 22102 ("the Property"); and it is further

ORDERED, that the parties agree that the case will be dismissed without prejudice and each party will bear his, her or its own costs and attorneys' fees; and it is further

ORDERED, that Deutsche Bank's Motion for Entry of Default against Defendants D. Brian Costello and Edward Hubacher, Trustees; Watkins Motor Lines; and All Persons Claiming

An Ownership Interest Or Lien upon the Property, filed on November 19, 2007, be and the same hereby is granted; and it is further

ORDERED, that Deutsche Bank's Motion for Entry of Default against Defendants Babak Batmanghelidj and Leily Batmanghelidj, filed on November 19, 2007, be deemed withdrawn without prejudice; and it is further

ORDERED, that any party to this matter may file a certified copy of this Order among the land records of Fairfax County Virginia; and it is further

ORDERED, that this action now stands as dismissed in its entirety.

Feb 26th, 2008



/s/

James C. Cacheris
United States District Judge